

PERSONAL EXPLANATION

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 2000

Mr. BALLENGER. Mr. Speaker, on Monday, May 22, 2000, I missed rollcall votes 211 (H.R. 3852) and 212 (S. 1236). Had I been present I would have voted "yea" on both.

TRIBUTE TO THE LATE JOSEPHINE BARNETT LACKEY

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 2000

Mr. PICKERING. Mr. Speaker, my heart is heavy and saddened today at the passing of Mrs. Josephine Barnett Lackey, affectionately known as "Miss Jo", who passed away unexpectedly on Sunday May 14, 2000, at the St. Thomas Hospital in Nashville, TN, after suffering cardiac arrest. "Miss Jo", a constituent of mine from Forest, Mississippi, was the wife of Jimmy Lackey, owner of Lackey Home Center in Forest, and one of the more prominent Tennessee Walking Horse Breeders, and Exhibitors in our state. Her death was untimely, and has certainly shocked and devastated the Forest community.

"Miss Jo" grew up in the Standing Pine community in Leake County, and graduated from Walnut Grove High School. She graduated from Delta State University with a degree in Elementary Education in the spring of 1950, and shortly thereafter moved to Forest where she taught in the Forest School System. She and Mr. Lackey were married in 1953, and on July 12, 2000, they would have celebrated their 47th wedding anniversary. For more than 50 years, she was a resident of Forest.

"Miss Jo" delighted in meeting, greeting and helping people. That was her hallmark. That is why the Gift and Bridal Registry Shop she operated in the Lackey Home Center was such a fascination and delight to her. She loved being with people, and offering suggestions that would make their life happier and enjoyable. Sid Salter, editor-publisher of the Scott County Times, summed it up real well when he said in his May 17, 2000, editorial, Josephine Lackey, "there are few homes in Forest that don't have a piece of fine crystal or china hand chosen by Jo Lackey as a gift. For rich and poor alike, she gave her best advice and treated every customer at Lackey Home Center as a friend."

"Miss Jo" was president of the Forest Garden Club, and was a member of the Hontokalo Chapter of the National Society of the Daughters of the American Revolution. She was a member of the Forest Baptist Church and was a substitute Sunday School teacher. Her love and faith in God, and the Lord Jesus Christ, was most evident in the two scripture passages that were used by her Pastor Reverend Gordon Sansing, and her former Pastor Sonny Adkins as the text for their remarks at her funeral. The passages

were: Psalms 71:17-18 "O God, thou has taught me from my youth; and hitherto have I declared thy wondrous works. Now that I am old and greyheaded, O God forsake me not, until I have shewed thy strength unto this generation, and thy power to every one that is to come", and Proverbs 3:5-6 "Trust in the Lord with all thine heart, and lean not unto thine own understanding. In all thy ways acknowledge Him, and He will direct thy paths."

Again, quoting Sid Salter, "Josephine Barnett Lackey was—by every rational measure of mind, body and spirit—a beautiful, elegant woman. Blessed with the beauty nature gave her as a young woman, Josephine Lackey merited the still beautiful face of a faithful wife, devoted mother and grandmother, hard-working business woman and dependable friend she had earned at the age of 70 when her great heart finally failed her.

Our community is diminished by her passing and we will—with her family—sorely miss her."

"Miss Jo" had a deep love for her family that included husband, Jimmy, son Jim, daughters Julie and Jenny along with their husbands, and five grandchildren. Another daughter, Joy, preceded her in death in 1996.

Without a doubt, the legacy that "Miss Jo" would want us to remember her by is the love she had for her Lord, her Family, her Church, her Friends, her Country, her State, and by all means her love for Forest and Scott County. She was truly a dedicated Christian lady, and a great American. I extend my heartfelt sympathy to her family. Also, I want to express my appreciation, and that of all citizens of the 3rd district for her life of service, and contributions to the betterment of our world.

TRENDS CONCERNING THE ASIAN DEVELOPMENT BANK

HON. SPENCER BACHUS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 24, 2000

Mr. BACHUS. Mr. Speaker, I rise today to inform my colleagues about several recent disturbing trends at the Asian Development Bank [ADB]. The Bank recently concluded its annual meeting in Chiang Mai, Thailand. Two of my Banking Committee staff recently attended the annual meeting at the invitation of the U.S. Department of the Treasury.

By way of general background, the Asian Development Bank [ADB] was established in 1966. The Bank also operates a concessional, below market rate, lending facility; the Asian Development Fund [ADF] created in 1974. There are 58 member countries, 42 of which are based in the Asia-Pacific region and 16 are non-regional. The United States and Japan are the largest shareholders in the Bank, each with a 16 percent ownership share.

The purpose of the ADB is to promote sustainable development in the poorer countries of the Asia-Pacific region through project investment lending, policy reform lending and advice, and technical assistance. Through 1999, the United States has received over \$4.6 billion in business procurement from the Asian Bank Group.

By tradition, Japan nominates the president who also serves as chairman of the board. In many ways, the ADB is a very Japanese institution. The president selects board committee members and committee chairs. He appoints Japanese nationals from the Ministry of Finance in Tokyo to serve as the treasurer, and the head of the important Budget and Personnel Department. Japanese staff occupies other key management positions, notably the head of the Strategy and Policy Department and at least one of the two powerful programming department directorates.

Under the leadership of the Bank's previous president, Mitsuo Sato, the ADB established an enviable track record as one of the most progressive and reform-minded of any of the multilateral development banks. President Sato worked closely with the United States and other shareholders to inaugurate a series of sweeping and forward-leaning policy changes designed to increase substantially the institution's development effectiveness.

Among these reforms was a decision to invest more in basic human capital (for example, basic education, health and sanitation), an effort to strengthen project quality, increase the transparency and accountability of its own operations, establish an information policy based on the presumption of disclosure, the creation of an inspection panel, the formulation of an explicit governance and anti-corruption policy, a coordinated effort together with UNICEF to improve child nutrition and early childhood development, a proactive policy for outreach to non-governmental organizations [NGOs], as well as a gender and development policy.

But President Sato stepped down in early 1999. He was succeeded by Tadao Chino, a former Vice Minister of Finance for International Affairs. In style, outlook, and temperament, he appears quite different from his predecessor. More consequential, he appears to be taking the institution in the wrong direction—a direction that is far less multilateral and less inclusive.

From the outset of his tenure, the ADB has become notably less open to the views of others, including the United States. Indeed, Bank management has aggressively advanced its own agenda over the concerns and even strong objections of the United States and other shareholders.

Examples of the high-handed management style of the Bank's new leadership includes unilateral exclusion of the United States from chairing the Board's Budget Review Committee even after repeated protest from the Treasury Department; programming excessively high lending levels in order to accelerate discussion of a general capital increase; and resistance to formalized cooperation with the World Bank. More broadly, key policy and operational issues are advanced quickly over the objection of major donor shareholders when it suits Bank management, and capriciously stalled when it does not.

The United States during the 1999 annual meeting raised many of these internal governance and management issues. But it would appear that precious little progress has been made. Whereas the Bank was once a reform leader, it now lags not only the World Bank

but every other regional multilateral development bank [MDB] in embracing needed reforms and has been resisting calls for more substantive change in the Asian Development Fund negotiations [ADF-8].

To be fair, the Bank under President Chino has embraced poverty reduction as its overarching mandate. But this occurred only after repeated calls from the United States and other major shareholders that a poverty reduction policy paper be presented to the board by the time the ADF-8 replenishment negotiation began in October 1999. The Bank remains far behind in turning this policy commitment into operational practice.

Most recently, President Chino is resisting the United States nominee for the Bank's American vice president. By tradition, there has always been a U.S. national as vice president, a European vice president, and a vice president representing a non-borrowing regional. The current U.S. vice president, Peter Sullivan, will retire this summer. Chino is mounting an unprecedented challenge to Treasury's candidate. Never before has a Japanese Bank president challenged the right of the United States to name its candidate for vice president. Why the resistance? I have no first hand knowledge, but would note that a recent issue of *Emerging Markets* speculates that if the strong-minded, experienced candidate were appointed to a vice-presidential slot at the Bank, "she could begin chipping away at the power exercised from 'behind the throne' by the small clique of Japanese 'advisors' to the president." Whatever the case, it is incumbent on the United States to support its nominee and insist that U.S. prerogatives be respected.

Moreover, I understand that President Chino has literally created a fourth vice president with wide-ranging powers without consulting the board. He disregarded concerns repeatedly raised by the U.S. Executive Director's office that the reorganization of the functions of the Strategic Policy Department should not be undertaken without consulting the board. The department director is a Japanese national.

More broadly, President Chino's pattern of stonewalling the United States and other member donors has been repeatedly in his non-responsiveness to the concerns of interested parties outside the Bank. It has been reported that he refused to receive representatives of student and NGO protesters at the annual meeting in Thailand. He may even have been less than courteous to his Thai hosts at an important official function involving members of the royal family.

In addition to numerous internal governance and the above personnel issues, there is also a growing concern that Bank management is trying to turn the ADB into a defacto secretariat for a future "Asian Monetary Fund." As Members may recall, Japan earlier proposed to create an "Asian IMF" during the worst of the global financial crisis of 1997-1998—an idea that had only tepid support within the region and which was opposed by the United States.

However, elements of this approach have begun to insinuate themselves into the organizational structure of the ADB. First, in March 1999 the Bank approved the "Asian Currency Crisis Support Facility." This \$3 billion fund, financed entirely by Japan but administered by the Bank, was established to provide guarantees to Asian crisis countries on sovereign bond issues, in conjunction with ADB loans. Among other issues, this mechanism inappropriately would allow obligations under the facilities to be accorded preferred creditor status.

In addition, the Finance Ministers of the Association of Southeast Asian Nations [ASEAN] asked in 1999 that the Bank temporarily house its economic monitoring secretariat. Over U.S. resistance, the ADB established and expanded this surveillance unit, in possible competition with the IMF. Contrary to view of some United States economists, like Stephen Roach of Morgan Stanley, I suspect few Asian countries would want to participate in a Japan-led regional monetary fund, in large measure because of what is perceived by many in the region as Japan's ongoing failure to confront and deal with its militarist past. On the other hand, many of these countries are borrowers from both the ADB and Japan. They may be persuaded to go along with Tokyo in a desire not to disadvantage themselves when they request the Japanese Government at the ADB for loans and to position themselves to receive additional foreign aid credits from Japan.

Mr. Speaker, it sadly appears that the Asian Development Bank is at a crossroads. Confidence is eroding in the capacity of the institution to pursue effective development strategies in a manner that is accountable, participatory, and transparent.

At the risk of presumption, it would appear high time that the administration make clear in no uncertain terms its deep concern over the present leadership at the Bank. As the chairman of the authorizing subcommittee with jurisdiction over the international financial institutions, I would simply note that both Treasury and the ADB should be on notice that an institution that pursues the narrow objectives of a few, adopts a haughty and intolerant management style, and now lags all other regional MDBs in key reforms is unlikely to command broad congressional support.

In conclusion, Mr. Speaker, wise leaders on both sides of the Pacific understand that, despite our occasional differences, the two major shareholders of the ADB—Japan and the United States—must work together if the Bank is to effectively address poverty reduction as well as help meet the many other needs and challenges of the Asia-Pacific region in the 21st century. I hope and expect our two great countries can work hand in hand at the ADB, as we have so often in the past, to uplift the lives of people throughout the region and reach our common goals to foster sustainable development.

A SPECIAL TRIBUTE TO WILLIAM N. MORGAN ON THE OCCASION OF HIS RETIREMENT FROM THE OHIO BANKERS ASSOCIATION AND IN CELEBRATION OF HIS PUBLIC SERVICE TO THE STATE OF OHIO

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 24, 2000

Mr. GILLMOR. Mr. Speaker, it is with great pleasure that I rise today to pay special tribute to an outstanding individual and a devoted public servant from the State of Ohio. Later this summer, William N. Morgan will retire from his position as senior vice president of the Ohio Bankers Association after more than 25 years of dedicated service.

Bill Morgan's call to duty and service began as he enlisted in the U.S. Army in 1957. After three years of work with the Military Police Criminal Investigation branch in Germany, Bill left the military and prepared for his future taking a position as chief deputy sheriff in Perry County. Bill also served as chief probation officer with the New Lexington Juvenile Court.

With a keen interest in government and politics, Bill was elected mayor of the city of Shawnee in 1966. Bill's commitment to public service continued when he was named deputy director of the Tax Collection Department within the Ohio Treasurer's Office. Four years later, in 1970, Bill assumed the role of director of public affairs for the Ohio Association of Insurance Agents. Then, in 1974, Bill began his distinguished tenure with the Ohio Bankers Association.

Mr. Speaker, I have known Bill Morgan for many years and have had the opportunity to work with Bill on a variety of issues during my tenure in the U.S. Congress and as president of the Ohio Senate. I am not alone in saying that Bill Morgan is a man of honor and integrity and has given freely of his time and talents to further public policy. Bill has been a good friend and his public service to the State of Ohio will be sorely missed.

At this point, Mr. Speaker, I would urge my colleagues in the 106th Congress to rise and join me in paying special tribute to Bill Morgan on the occasion of his retirement. We wish him, his wife, Virginia, and his entire family the very best now and in the future.

HONORING VELUPPILLAI
SIVAPALASINGAM

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 24, 2000

Mr. ENGEL. Mr. Speaker, I am joining Montefiore Medical Center, a keystone of health care for the Bronx community, in honoring Veluppillai Sivapalasingam for his quarter century of conscientious and compassionate service to the citizens of the Bronx, especially those from the Norwood neighborhood.

He joined Montefiore's Radiation Oncology Department 25 years ago and began a career